

WASHINGTON D.C.— Congressman Charlie Wilson (OH-6) today offered two amendments to HR 5818, the Neighborhood Stabilization Act of 2008 in the House Financial Services Committee. The bill is part of the most comprehensive legislative solution yet to our housing crisis and would provide \$15 billion in immediate funds to states to clean up blight due to foreclosure. Wilson is a member of the Financial Services Committee.

Although the Bush Administration has proposed a housing mortgage assistance plan that could help about 100,000 homeowners, the House package will help about 1.5 million American homeowners avoid foreclosure.

Congressman Wilson supports this important House legislation. His amendments to today's bill, both of which passed committee, will help cities in Ohio and other states struggling with foreclosures.

Wilson's first amendment would allow states, if approved by HUD, the flexibility to demolish unfit properties if there is a high vacancy rate and a population decline in the area.

"One of the concerns my state has is that many foreclosed homes have been empty for a long period of time. Many of them have been stripped of their copper piping and other valuable parts. To rehabilitate such homes is often more expensive than demolishing them. And, in fact, in many pockets of my state we have a stock of homes that is no longer needed. Our population has experienced a decline over the past few years because of the loss of our manufacturing sector. The City of Youngstown has even introduced plans to downsize," Wilson said.

"We need to make sure that this bill -- which is intended to help states heal -- is flexible enough to make that happen. We need to do what's best for neighborhoods that are hurting. The inclusion of demolition as an option for blighted and unsafe housing is something that many states will need to use," Wilson added.

Wilson's second amendment, offered in conjunction with two other Ohio Representatives, Rep. Steve LaTourette (OH-14) and Rep. Deborah Pryce (OH-15), would direct more funding to the states that need it the most. Without the amendment the bill would have given a disproportionate amount of the federal allotment to California alone because the median home price in California is higher. Wilson, LaTourette and Pryce argued that Ohio has been hit equally hard by the foreclosure crisis but because Ohio's median home price is much less than California's, Ohio would have received much less federal help.

"Ohio has unfortunately been one of the states that has had the most foreclosures over recent months and years. That is not a list I am proud to be on the top of. As written, this bill would not have effectively addressed Ohio's needs because Ohio's median home price is far lower than other states that are not nearly so distressed," Wilson said.

The amendment changes the formula used to determine the amount of funds states will receive and will take into account differences in median home prices.

"I believe this is a simple way to better allocate funds to the states that are in desperate need,"

Wilson said.

The Financial Services Committee will continue working on the bill this afternoon, and could complete final passage this evening.